

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

8/24/11

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Accountant's Review Report	1
<u>FINANCIAL SECTION</u>	
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-wide Financial Statements	
Statement of Net Assets	2
Statement of Activities	3
Fund Financial Statements	
Balance Sheet – Governmental Fund	4
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Assets	5
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	7
Notes to Financial Statements	8-17
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Budgetary Comparison Schedule General Fund	18
<u>OTHER SUPPLEMENTARY INFORMATION</u>	
Independent Accountant's Report on Applying Agreed-Upon Procedures	19-21
Louisiana Attestation Questionnaire	22-23
Schedule of Current Year Findings	24
Schedule of Prior Year Findings	25

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 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Arnaudville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, and each major fund of Fire Protection District No. Five of St. Landry Parish, a component unit of the St. Landry Parish Government, as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of Fire Protection District No. Five. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of Fire Protection District No. Five is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The other required supplementary information on page 18 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The other supplementary information as listed in the table of contents on pages 19-21 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the inquiry and analytical procedures, applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 21, 2011 on the results of our agreed-upon procedures.

John S. Dowling & Company
 Opelousas, Louisiana
 June 21, 2011

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

GOVERNMENTAL ACTIVITIES

<u>ASSETS</u>	
Cash	\$ 313,895
Investments	500,000
Property taxes receivable, net	256,142
Accrued interest receivable	2,219
State revenue sharing receivable	36,056
Capital assets, net	783,171
<u>Total assets</u>	<u>1,891,483</u>
 <u>LIABILITIES</u>	
Long-term liabilities	
Due within one year	39,000
Due in more than one year	45,000
<u>Total liabilities</u>	<u>84,000</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	783,171
Unrestricted	1,024,312
<u>Total net assets</u>	<u>1,807,483</u>

See accompanying notes and accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
DECEMBER 31, 2010

ACTIVITIES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
<u>Governmental Activities</u>					
Public safety - fire	\$ 207,739	\$ -	\$ -	\$ -	\$ (207,739)
Interest paid	4,916				(4,916)
<u>Total governmental activities</u>	<u>212,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(212,655)</u>
General revenues					291,450
Property taxes					81,429
Intergovernmental					10,734
Interest and investment earnings					(93)
Loss on disposition of assets					344
Miscellaneous					<u>383,864</u>
<u>Total general revenues</u>					171,209
Change in net assets					<u>1,636,274</u>
Net assets - January 1, 2010					<u>1,807,483</u>
Net assets - December 31, 2010					

See accompanying notes and accountant's review report.

FUND FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
DECEMBER 31, 2010

	<u>General</u>
<u>ASSETS</u>	
Cash	\$ 313,895
Investments	500,000
Property taxes receivable, net	256,142
State revenue sharing receivable	<u>36,056</u>
<u>Total assets</u>	<u>1,106,093</u>
<u>LIABILITIES AND FUND EQUITY</u>	
<u>LIABILITIES</u>	
<u>Total liabilities</u>	<u>\$ -</u>
<u>FUND BALANCE</u>	
Unreserved, undesignated	<u>1,106,093</u>
<u>Total fund balance</u>	<u>1,106,093</u>
<u>Total liabilities and fund balance</u>	<u>1,106,093</u>

See accompanying notes and accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2010

Total fund balance for the governmental fund at December 31, 2010		\$ 1,106,093
Cost of capital assets at December 31, 2010	\$ 1,615,068	
Less: Accumulated depreciation as of December 31, 2010	<u>(831,897)</u>	783,171
Long-term liabilities at December 31, 2010 Bonds payable		(84,000)
Accrued interest receivable at December 31, 2010		<u>2,219</u>
Net assets at December 31, 2010		<u><u>1,807,483</u></u>

See accompanying notes and accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>General</u>
<u>REVENUES</u>	
Taxes	
Property taxes	\$ 291,450
Intergovernmental	
State revenue sharing	54,084
Fire insurance tax	27,345
Other revenue	
Interest earnings	12,601
Miscellaneous	344
<u>Total revenues</u>	<u>385,824</u>
<u>EXPENDITURES</u>	
Public safety	
Current	
Contract work	6,000
Per diem fees	3,250
Postage	132
Professional fees	3,900
Miscellaneous	1,844
Building maintenance	8,207
Equipment maintenance	8,085
Firefighting equipment	15,832
Insurance	30,511
Communications	5,633
Training	218
Truck repairs	27,233
Truck fuel	5,464
Utilities	15,566
Supplies and repairs	1,949
Debt service	
Principal	39,000
Interest	4,916
Capital outlay	
Trucks and equipment	161,835
<u>Total expenditures</u>	<u>339,575</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	46,249
<u>FUND BALANCE, beginning of year</u>	<u>1,059,844</u>
<u>FUND BALANCE, end of year</u>	<u>1,106,093</u>

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Total net change in fund balance for the year ended December 31, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 46,249
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 161,835	
Depreciation expense for year ended December 31, 2010	<u>(73,915)</u>	87,920
Loss on disposition of assets		(93)
Bonds principal retirement considered as an expenditure on Statement of Revenues, Expenditures and Changes in Fund Balance		39,000
Change in accrued interest receivable at December 31, 2010		<u>(1,867)</u>
<u>Total change in net assets for the year</u> <u>ended December 31, 2010 per Statement</u> <u>of Activities</u>		<u>171,209</u>

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Fire Protection District No. Five of St. Landry Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements (GWFS) Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

The following is a summary of certain significant accounting policies and practices of the Fire Protection District No. Five of St. Landry Parish.

A. FINANCIAL REPORTING ENTITY

The basic entity being reported on is Fire Protection District No. Five of St. Landry Parish. Fire Protection District No. Five of St. Landry Parish (Fire District), which is a political subdivision of the state of Louisiana, was created by a resolution of the St. Landry Parish Police Jury in 1983. The District is governed by a Board of Commissioners. The District was created for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants, and water lines and any other such thing necessary to provide proper fire prevention and control within the District's limits. The District is financed primarily by parish ad valorem taxes which are dedicated for fire expenditures and debt service.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Landry Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING ENTITY - Continued

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish government appoints a voting majority of the District's governing body and the parish government has the ability to impose its will on the District, the District was determined to be a component unit of the St. Landry Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Assets and the Statement of Activities display information on all of the nonfiduciary activities of Fire Protection District No. Five of St. Landry Parish, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION - Continued

FUND FINANCIAL STATEMENTS

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the District are classified as governmental. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of individual governmental funds are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental funds are at least 5 percent of the corresponding total for all governmental funds combined.

The District reports the following major governmental fund:

Governmental Fund

General Fund

The General Fund is the general operating fund of Fire Protection District No. Five of St. Landry Parish. It is used to account for all financial resources except those required to be accounted for in other funds.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

MEASUREMENT FOCUS

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

BASIS OF ACCOUNTING

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

D. CASH AND INVESTMENTS

Under state law the District may deposit funds with any bank located within the state and organized under the laws of the state of Louisiana, any other state in the union, or under the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of those banks.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. CASH AND INVESTMENTS - Continued

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At year-end, the carrying amount of the District's cash and investments was \$813,895. The bank balance of cash was \$768,492. Of the bank balance, \$266,841 is covered by federal depository insurance and \$501,651 of the bank balance is covered by securities held by the pledging financial institution.

E. CAPITAL ASSETS

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment and furniture	10-20 years
Trucks	20-30 years
Software	5 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Construction period interest is capitalized if material amounts or interest resulting from borrowings in the course of the construction of fixed assets is incurred. No interest was capitalized for the year ended December 31, 2010.

F. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The budget must be finally adopted by the District no later than the last day of the preceding year.
2. The Board of Commissioners may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. BUDGETS AND BUDGETARY ACCOUNTING - Continued

3. Operating appropriations lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
4. Budgets are adopted on a modified accrual basis.

G. VACATION, SICK LEAVE, AND PENSION PLAN

The District does not accrue unused vacation and sick leave, nor did it have a pension plan for the year ended December 31, 2010.

H. ENCUMBRANCES

Encumbrance accounting is not used by the District.

I. LONG-TERM DEBT

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

Long-term debt for the governmental fund is not reported as liabilities in the fund financial statements.

J. EXPENDITURES AND EXPENSES

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, governmental funds report expenditures of financial resources.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

L. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - PROPERTY TAXES

The District's property tax is collected by an intermediary government and remitted on a monthly basis. The intermediary government maintains the tax roll for property taxes for the District. The property tax, levied for the calendar year, is due to the intermediary government on or before December 31 and becomes delinquent on January 1. The taxes are generally collected in December of the current year and January and February of the ensuing year. For the year ended December 31, 2010, taxes of 14.25 mills were levied for maintenance.

The taxpayers of Fire Protection District No. Five approved, at a special election held on April 6, 2002, a maintenance tax millage of 14.25 to be assessed for a ten year period beginning with the 2004 tax year.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 2 - PROPERTY TAXES (Continued)

As per state requirements, each taxing district of the parish must remit a portion of total ad valorem taxes to the pension fund. This amount is determined by the legislative auditor each year and is to be taken out of the first month of collections of property taxes. If the collections from the first month are not sufficient to cover the pension fund deduction, then the remainder must be deducted from subsequent collections of the property taxes.

Since the Sheriff of the parish collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, property taxes are shown net of pension fund distributions. A breakdown of property taxes receivable as of December 31, 2010 is as follows:

	<u>Total Tax Per Roll</u>	<u>Pension Fund Requirements</u>	<u>Estimated Uncollectible</u>	<u>Collected in December</u>	<u>Net Tax Receivable</u>
General Fund	\$ 305,364	\$10,070	\$5,895	\$33,257	\$256,142

NOTE 3 - CHANGES IN LONG-TERM DEBT

On November 1, 2002, Fire Protection District No. Five of St. Landry Parish incurred an indebtedness of \$350,000 in series 2002 general obligation bonds for the purpose of acquiring and equipping new fire trucks, tankers, and other fire fighting equipment. The bonds consist of \$298,000 at 4.75% and \$52,000 interest free. Pursuant to a special election held on April 6, 2002, the issuer was authorized to levy a special tax of 14.25 mills in the years 2004 through 2012, inclusive, for the purpose of paying the bonds.

The \$52,000 bond was paid out in a prior year.

A summary of changes in long-term debt is as follows:

<u>Description of Debt</u>	<u>Balance 1/1/10</u>	<u>2010 Increase</u>	<u>2010 Decrease</u>	<u>Balance 12/31/2010</u>
\$298,000 - 2002 General obligation bonds at 4.75%	<u>\$ 123,000</u>	<u>\$ -</u>	<u>\$ 39,000</u>	<u>\$ 84,000</u>
	<u>123,000</u>	<u>-</u>	<u>39,000</u>	<u>84,000</u>

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 3 - CHANGES IN LONG-TERM DEBT (Continued)

The annual requirements to retire debt as of December 31, 2010 are as follows:

General Obligation Bonds Year Ended December 31	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 41,000	\$ 3,016	\$ 44,016
2012	43,000	1,021	44,021
<u>Total</u>	<u>84,000</u>	<u>4,037</u>	<u>88,037</u>

NOTE 4 - CAPITAL ASSETS

Capital asset and depreciation activity, as of and for the year ended December 31, 2010, for Fire Protection District No. Five of St. Landry Parish are as follows:

<u>Description of Debt</u>	<u>Balance 1/1/10</u>	<u>Purchases</u>	<u>Deletions</u>	<u>Balance 12/31/2010</u>
Governmental activities				
Buildings	\$ 67,777	\$ -	\$ -	\$ 67,777
Equipment and furniture	410,785	11,072	33,553	388,304
Software	3,190	-	-	3,190
Trucks	995,034	150,763	-	1,145,797
Land	10,000	-	-	10,000
<u>Totals at historical cost</u>	<u>1,486,786</u>	<u>161,835</u>	<u>33,553</u>	<u>1,615,068</u>
Less accumulated depreciation				
Buildings	30,328	1,694	-	32,022
Equipment and furniture	200,736	23,081	33,460	190,357
Software	2,998	162	-	3,160
Trucks	557,380	48,978	-	606,358
<u>Total accumulated depreciation</u>	<u>791,442</u>	<u>73,915</u>	<u>33,460</u>	<u>831,897</u>
Governmental activities Capital assets, net	<u>695,344</u>	<u>87,920</u>	<u>93</u>	<u>783,171</u>
Depreciation expense was charged to governmental activities as follows:				
Public safety - fire	<u>\$ 73,915</u>			

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 5 - DEFICITS IN INDIVIDUAL FUNDS

The District does not have a deficit fund balance for the year ended December 31, 2010.

NOTE 6 - PER DIEM

Compensation and travel paid to board members is summarized below:

<u>Board Members</u>	<u>Number of Meetings Attended</u>	<u>Compensation</u>
James P. Womack	14	\$ 700
Clay Lanclos, Jr.	10	500
Randy Courville	14	700
Paul LaPorte	13	650
Bobby Degeuyter	13	650
		<u>3,200</u>

NOTE 7 - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 21, 2011, which is that date the financial statements were available to be issued. As of June 21, 2011, there were no subsequent events noted.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Fire Protection District No. 5 of St. Landry Parish does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
Taxes	\$ 240,000	\$ 246,500	\$ 291,450	\$ 44,950
Intergovernmental	80,000	81,500	81,429	(71)
Interest earnings	15,000	13,000	12,601	(399)
Miscellaneous	1,000	500	344	(156)
<u>Total revenues</u>	<u>336,000</u>	<u>341,500</u>	<u>385,824</u>	<u>44,324</u>
<u>EXPENDITURES</u>				
Public safety - fire	179,900	348,300	339,575	8,725
<u>Total expenditures</u>	<u>179,900</u>	<u>348,300</u>	<u>339,575</u>	<u>8,725</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>156,100</u>	<u>(6,800)</u>	<u>46,249</u>	<u>53,049</u>
<u>FUND BALANCE, beginning of year</u>			<u>1,059,844</u>	
<u>FUND BALANCE, end of year</u>			<u>1,106,093</u>	

See accountant's report.

OTHER SUPPLEMENTARY INFORMATION

Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Arnaudville, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Fire Protection District No. Five of St. Landry Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Fire Protection District No. Five's compliance with certain laws and regulations during the year ended December 31, 2010 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000 or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Two expenditures were made during the year for materials and supplies exceeding \$30,000 and no expenditures were made for public works exceeding \$100,000. Both of the purchases were under state contract.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The District has no employees.

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
Page 2

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The District has no employees.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and amended budget.

6. Trace the budget adoption and amendments to the minute book.

The adoption of the original budget was traced to the minutes of the meeting held on December 14, 2009. We traced the adoption of the amended budget to the minutes of a meeting held on November 29, 2010.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the General Fund's final budget to actual revenues and expenditures. Budgeted revenues of the General Fund did not exceed actual revenues. Actual expenditures of the General Fund did not exceed budgeted expenditures by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) Trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the 6 selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) Determine if payments were properly coded to the correct fund and general ledger account; and

Payments were properly coded to the correct fund and general ledger account.

- (c) Determine whether payments received approval from proper authorities.

All payments were properly approved by the Board of Commissioners.

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
Page 3

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Fire Protection District No. Five of St. Landry Parish is only required to post a notice of each meeting and the accompanying agenda. Management has asserted that such documents were properly posted, and the notices are included with the minutes.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness which were not disclosed by the Board of Commissioners prior to the start of fieldwork.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the District for the year indicated no approval for any such payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated June 15, 2010, did not include any comments or unresolved matters.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Fire Protection District No. Five of St. Landry Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John S. Dowling & Company
Opelousas, Louisiana
June 21, 2011

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

6-20-2011 (Date Transmitted)

John S. Dowling & Company

PO Box 1549

Opelousas, LA 70571-1549

(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [☒] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [☒] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [☒] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [☒] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

2/2/2011
Date

Secretary

Candice E. Kinn

2/2/2011
Date

Treasurer

Candice E. Kinn

2/31/2011
Date

President

James W. Warrick

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2010

SECTION I - ATTESTATION REPORT

None

SECTION II - FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2010

SECTION I - ATTESTATION REPORT

None

SECTION II - FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A